MHAH170034722024

Received on 21/11/2024
Registered on 21/11/2024
Decided on 24/03/2026
Duration 01Y 04M 03Ds

IN THE COURT OF CIVIL JUDGE (J.D.) RAHATA, DIST. AHMEDNAGAR.

(Before Santosh R. Bharad)

Reg. Civil Suit No. 588 of 2024 **Ex No. 32**

Bank of Maharashtra, Branch Babhaleshwar,
Tal. Rahata, Dist, Ahmednagar through
Shri Aniruddha Dyaneshwar Maid,
Age 36 years, Occu. :- Service,
R/o Babhaleshwar, Taluka, Rahata,
District Ahmednagar. **Plaintiff.**

Versus

1. Jaibunisa Bademiya Patel,
   Age 60 years, Occu. - Agri,
2. Shamshadbegam Riyazbhai Patel,
   Age 48 years, Occu. - Agri,
3. Shabbirali Abdulmin Patel,
   Age 70 years, Occu. -Agri,
   All R/o Mamdapur, Taluka Rahata,
   Dist. Ahmednagar. **Defendants.**

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Suit for Recovery of Money Claim of Rs.4,04,462/-

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Shri. P. B. Bavake : Advocate for plaintiff.
Shri A. A. Gaikwad For defendant No. 1 to 3.

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JUDGMENT

(Delivered on 24th March, 2026)

The Suit is for recovery of the amount based on the loan agreement.
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The case of the plaintiff in short as under;

2. The plaintiff is a corporate body formulated under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and carrying business of banking. The plaintiff having various offices including at Babhaleshwar.

3. The defendant no.1 approached the plaintiff and sought Crop loan. Defendant no.1 agreed to abide by the terms and conditions of the plaintiff bank. The plaintiff bank provided a loan of Rs. 3,00,000/- at the rate of 7% p. a. to dead defendant no. 1, to which defendant no.2 and 3 stood as a surety. The guarantee is continuing guarantee. The necessary documents agreement regarding loan transactions were also executed. It was agreed by borrower to bear additional interest at the rate of 2.00% if failed to comply the loan terms. Moreover, the defendants have executed a various documents in favour of the plaintiff bank as security towards the loan amount.

4. However, the defendants failed to liquidate the loan account of Rs. 4,04,462/-. Hence plaintiff issued notice to defendants, still defendant failed to repay the loan amount. This prompted the plaintiff to institute an instant suit for recovery of amount along with interest till realization.

5. Defendant no.1 to 3 appeared through Ld. Counsel Shri. A. A. Gaikwad still failed filed to written statement.

6. After hearing the learned counsel for the plaintiff, I have recorded the following points and conclusions, along with the reasoning, for a proper judgment, even though there is no denial of the material propositions by the defendants

	ISSUES	FINDINGS
1	Whether plaintiff proved that defendants were obtained loan amount of Rs. 3,00,000/- as crop loan from the bank on the agreed interest rate of 7% p. a. along with penal interest at 2.00% p.a. as claimed?	**...Yes.**
2	Whether the plaintiff proves that an amount of Rs. 4,04,462/- is outstanding against the defendants as loan amount?	**...Yes.**
3	Whether the plaintiff is entitled to recover amount Rs. 4,04,462/- from the defendants jointly or severally at the interest rate of 7% p.a. along with 2.00% p.a. penal interest from the date of suit till its realization?	**...Yes to the extent of outstanding loan amount along with interest.**
4	What order and decree?	**...As per final order**

REASONS

7. To prove its claim, the plaintiff bank has adduced ocular evidence of Anil Mohan Dhage (as PW - 1 at Ex 10). Besides, the plaintiff bank relied on loan application form (at Exh. 14), sanction letter (at Exh. 15), demand promissory note (at Ex 16), Request letter for making credit facility available (at Ex 17), hypothecation agreement for all agricultural facilities (at Ex 18), deed of Guarantee (at Ex 19), agreement mahabank of Kisan Credit Card (at Exh. 20), affidavit (at Exh. 21), balance and security confirmation letter (at Ex 22), balance and security confirmation letter by guarantors (at Ex 23), notice (at Ex 24), receipts (at Ex 25 to 27), acknowledgment (at Exh. 28 & 29), track consignment (at Exh. 30), certified copy of bank account statement (at Exh. 31), authority letter (at Exh. 32).

8. Against which the defendants failed to lead any evidence.

AS TO ISSUE NO. 1 TO 3:

9. The plaintiff bank examined witnesses viz. PW - 1 Anil Mohan Dhage, branch manager of the plaintiff bank at Ex 10 the bank manager branch at Bhabhaleshwar. PW-1 unequivocally verified all the documentary evidence related to the loan transactions, confirming that the defendants signed the relevant documents. The defendants never contested the plaintiff's allegations or presented evidence to refute the plaintiff's case. They also failed to defend themselves.

10. The documentary evidence presented by the plaintiff bank establishes that the defendants applied for and were granted an agriculture loan. The defendants utilized the loan funds and agreed to repay the loan amount according to the stipulated terms and conditions. The plaintiff bank has provided various documents to support its claims, including the relied on loan application form (at Exh. 14), sanction letter (at Exh. 15), demand promissory note (at Ex 16), Request letter for making credit facility available (at Ex 17), hypothecation agreement for all agricultural facilities (at Ex 18), deed of Guarantee (at Ex 19), agreement mahabank of Kisan Credit Card (at Exh. 20), affidavit (at Exh. 21), balance and security confirmation letter (at Ex 22), balance and security confirmation letter by guarantors (at Ex 23), notice (at Ex 24), receipts (at Ex 25 to 27), acknowledgment (at Exh. 28 & 29), track consignment (at Exh. 30), certified copy of bank account statement (at Exh. 31), authority letter (at Exh. 32). These documents corroborate the plaintiff's case and there is no reason to doubt their authenticity, given that they were maintained by the plaintiff bank in the ordinary course of business.

11. The plaintiff submitted additional documents, including a certified copy of account closer report to support their claims. These documents demonstrate that the defendants failed to uphold the agreed-upon terms of the loan account. The plaintiff's evidence is pertinent under Section 34 of the Indian Evidence Act, 1872. While account entries alone are insufficient to establish the defendants' liability, the plaintiff has provided corroborating evidence in the form of documents executed by both parties, which collectively establish that the defendants are jointly and severally liable for the outstanding loan amount of Rs. 4,04,462/- as of 19.06.2024, along with interest at a rate of 7% per annum along with 2.00% penalty.

12. There is nothing on record to show that the plaintiff misuses any document or that the above amount has been paid by the defendants as per the Terms of Agreement. It also clearly shows that the rate of interest was fixed at the time of executing the loan agreement. Considering all the above oral and documentary evidence, and the absence of defense, I have no alternative but to answer **issues no.1 and 2** in the **affirmative.**

13. The plaintiff also claimed for granting interest at the rate of 7% p. a. along with penal interest. The loan is obtained against hypothecation of crops. Therefore the transaction between the plaintiff and defendants is not commercial. Therefore on perusal of the proviso of Section 34 of the Code of Civil Procedure, 1999 it is clear that it it not case to carves out an exception to the general rule to award future interest at the rate exceeding 6% per annum in the case of decrees of claims not not arising out of commercial transactions. Hence finding to the **issue no. 3 is recorded accordingly**.

AS TO ISSUE NO. 4

14. For the reasons stated above, considering the facts and circumstances of the case, the nature of the evidence on record, in answer to **issue no. 4,** I pass the following order.

ORDER

1] The suit is decreed with costs.

2] It is ordered that the defendant nos. 2 and 3 jointly and severally, do pay to the plaintiff bank the sum of Rupees 4,04,462/- (Rupees Four lack Four thousand Four hundred Sixty Two only) towards the principal amount along with interest accrued thereon at the rate of 7% + 2.00% total 9.00 % p.a. from the filing of the suit till the date of decree and also future interest at the rate of 6% p. a. from the date of decree till realization of the said sum.

3] The defendant is entitled to claim a set-off of rupees paid by him till today. Decree be drawn accordingly.

4] Decree be drawn accordingly.

SANTOSH RAMAKANT BHARAD
Digitally signed by SANTOSH RAMAKANT BHARAD
Date: 2026.03.24 15:46:19 +0530

Place : Rahata
Date :24.03.2026

(S. R. Bharad)
2nd Civil Judge (Jr. Divn.),
Rahata

<u>CERTIFICATE</u>

I affirm that the contents of this PDF file are word to word as per original order.

Name of stenographer : - Swati D. Kapse.

Name of Court :- 2nd Joint Civil & Criminal Court Rahata.

Sd/-
S. D. Kapse.
(Stenographer)